

## WHERE CAN I GET MORE INFORMATION?

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For more detailed information about Estate Recovery, please contact:

HMS, Inc.  
Estate Recovery Unit  
1500 Abbot Road  
Suite 210  
East Lansing, 48823  
Phone: 1-877-791-0435

Or visit the website at:

[www.michigan.gov/estaterecovery](http://www.michigan.gov/estaterecovery)

Or email questions to:

[miestaterecovery@hms.com](mailto:miestaterecovery@hms.com)

*Please note that this brochure is only a summary of Michigan Estate Recovery and does not contain all relevant information.*



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YOUR GUIDE TO

## ESTATE RECOVERY

IN MICHIGAN

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# WHAT IS ESTATE RECOVERY?

Medicaid is a State and Federally funded program that pays for healthcare for people with limited incomes. The Federal government requires state Medicaid programs to seek recovery from the estates of certain deceased beneficiaries who have received benefits from a state Medicaid program.

Under the Estate Recovery program, the Department of Community Health will seek repayment of benefits received from Medicaid. Under some circumstances, the state may choose not to seek recovery from your estate. As a Medicaid beneficiary, it is vital that you know and understand how the Estate Recovery program works. This brochure contains some valuable information and answers many common questions regarding Estate Recovery.

## WHAT IS AN ESTATE?

A Medicaid recipient's estate includes all property and assets that pass from a deceased beneficiary to his or her heirs through a probate proceeding.

## WHO IS SUBJECT TO ESTATE RECOVERY?

**Estate Recovery only applies to:**

- ❖ Services provided to people who are age 55 or older; *or*
- ❖ Services provided to people of any age who are inpatients in a medical facility with no reasonable expectation of returning home.

*If you fall under one of the categories listed above, all services paid for by Medicaid after September 30, 2007 are subject to Estate Recovery.*

## ARE THERE EXCEPTIONS TO ESTATE RECOVERY?

**Yes, the state will not seek recovery if it would work an Undue Hardship *or* if one of the following individuals is lawfully residing in the home:**

- ❖ Recipient's spouse.
- ❖ Recipient's child who is under the age of 21, blind, or permanently disabled.
- ❖ Recipient's caretaker relative who was residing in the recipient's home for at least 2 years immediately before the beneficiary's admission to a medical facility and who provided care that allowed the beneficiary to remain at home during that period.
- ❖ Recipient's sibling with an equity interest in the home who was living in the home for at least 1 year immediately before the beneficiary's death.

*The state will not seek recovery of certain Medicare cost-sharing benefits.*

## WHAT IS AN UNDUE HARDSHIP?

**An undue hardship exists when:**

- ❖ The estate subject to recovery is the sole income-producing asset of survivors, such as a family farm or business; *or*
- ❖ The estate subject to recovery is a home of modest value; *or*
- ❖ The State's recovery of a decedent's estate would cause a caretaker relative to become or remain eligible for Medicaid.

## HOW DOES ESTATE RECOVERY WORK?

When a person subject to Estate Recovery dies, the state sends a notice to the estate representative or heirs to let them know that the state intends to file a claim. The notice will provide information such as the amount of the claim as well as how to apply for an Undue Hardship Waiver. If no exemptions or waivers apply, then the state will file a claim with the estate.

## HOW DO I APPLY FOR AN UNDUE HARDSHIP WAIVER?

An Undue Hardship Waiver application may be requested by mail or email at the addresses contained in this brochure or by visiting the website at [www.michigan.gov/estaterecovery](http://www.michigan.gov/estaterecovery). The estate has 60 days from the date of the notice mentioned above to complete a waiver application and return it to the state with the appropriate supporting documentation.